

One common thread appears throughout recent legislative proposals: the expansion of Medicaid as a central "reform" component. Simply put, the expansion of existing healthcare programs is not authentic reform and further, places the cost burden to the states at a time when states can ill afford it.

It is essential that Congress take the time to examine all possible options for health insurance reform in order to find sustainable long-term solutions. Lowering healthcare costs and reforming the healthcare system is possible without unfunded mandates or Medicaid expansions forced on the states. While certain changes to the current Medicaid program could advance the overall function of health insurance reform, expansion of the program without a permanent funding mechanism is not something that any state can support, nor is it a viable solution.

As you know, unlike the United States Constitution, most state constitutions require a balanced budget, including Nevada. In Nevada, we will spend nearly \$907,000,000 for Medicaid programs in Fiscal Years 2010 and 2011. This accounts for 13.8 percent of our General Fund budget. Any further expansion of this program would be another great example of Washington playing budget games by passing on costs to the state—this is unrealistic in the current economy and as a long term resolution.

Additional expansions of the Medicaid program will force Nevada into deep cuts in other programs and services which are not federally mandated in order to balance our General Fund. In the current fiscal year gaming revenues are down 12.5 percent, and sales tax revenues are down 20 percent. By overriding my veto, the 2009 Nevada Legislature passed substantial tax increases to burden our already beleaguered citizens.

Many current proposals also include significant cuts to the Medicare program. Nevada's growing senior population is frightened by the proposed \$162,200,000 reductions which will impact an estimated 11,000,000 seniors. Harmful and arbitrary cuts to Medicare Advantage may result in plans dropping out of the program, limiting beneficiary choice, and causing millions of seniors to lose their current coverage. These proposals must be stopped.

Nevadans cannot afford more taxes. Now is not the time to place unfunded Medicaid or other mandates on the states. By expanding Medicaid programs, the United States Congress will be forcing the State of Nevada into deep budget cuts in other state programs. I do not believe that any child's education should be placed on the chopping block to fund these new programs, but we will face that dilemma if these proposals of the Democratic Congress are enacted.

Health insurance reform should be addressed in a cooperative manner by both the federal and state governments. If states are treated as partners—not pawns—we can work to enact important reforms in concert with federal efforts. State-enacted caps on medical malpractice lawsuits, for example, would have a transformative impact on the health care and health insurance industry in each state, cutting costs for consumers without negatively affecting the stability of our current health care industry.

I am ready to work with my fellow Governors and the U.S. Congress in order to support sensible, accountable, and workable health insurance reform that helps, not hurts, Nevadans.

Sincerely,

JIM GIBBONS,
Governor, Nevada.

SEPTEMBER 25, 2009.

Hon. JACK REED,
Senator, U.S. Senate, Hart Building, Washington, DC.

DEAR SENATOR REED: I appreciate your work and that of your colleagues in the Congress to craft legislation to reform the health care system in America. As you know, Rhode Island took on reform last year, albeit on a smaller scale, as we developed and pursued approval of our groundbreaking Global Consumer Choice Waiver.

One of the primary reasons the State pursued the Global Waiver is that federal Medicaid rules often limit the ability of the states to adapt to fiscal realities and the complex and changing needs of beneficiaries. It is difficult to deliver vital services to the beneficiaries and be fair to all taxpayers when the federal government denies us the flexibility to effectively structure and manage a program representing such a significant financial investment.

I am extremely concerned that several of the health reform initiatives recently introduced in Congress will prevent Rhode Island from fulfilling the Global Waiver's promise. Such initiatives will further strain the state's budget at a time of great fiscal uncertainty and impose even more debt on our children, grandchildren and great grandchildren.

Therefore, I ask for your support and that of all members of the Rhode Island Congressional Delegation, to preserve the innovative health care initiatives now under way in Rhode Island and in many other states. I ask that you reject any reform proposals that impose additional financial burdens on the states and the people and communities we serve or that otherwise limit our capacity to meet our constituents' needs.

As originally proposed, the Senate Finance bill required a significant portion of the costs for covering the uninsured through Medicaid to be paid by lower and middle income taxpayers and the states. I am aware that changes in the proposed legislation provide, at least temporarily, additional funding for the required Medicaid expansions to "high need" states like Rhode Island. However, full federal funding will only be available for a limited period and would cease at the very time population projections estimate we will begin to see a surge in Medicaid eligibility for elders. It is unclear how the state or federal government will be able to sustain these Medicaid expansions in light of these projections and at a time of decreasing revenues and sky-rocketing deficits. The House legislation imposes burdens on state budgets and working Americans that are unacceptable.

Likewise, there still remain Medicaid eligibility and coverage mandates that will limit the flexibility of the states to operate financially sound, sustainable programs. Moreover, ongoing health reform efforts, such as those now under way in Rhode Island, may be hampered as limited administrative resources are diverted to finance the mandated expansions. Federal oversight of the Medicaid program should be streamlined, and allow for far greater innovation at the state level.

As a Governor, I am particularly concerned about the prospect of additional "short-term funded" federal Medicaid mandates. The Medicaid program itself is expensive, provider-centered, inefficient, slow to innovate and, as such, ultimately unsustainable. For these reasons, the Medicaid program is hardly the best and by no means the most appropriate platform for expanding health coverage to tens-of-thousands of additional Rhode Islanders and millions of other Americans.

I hope you will ensure that any legislation enacted by Congress does not include additional mandates on states, or at the very least compensates states fully for those it does impose, including the administrative costs associated with expansion. Additionally, providing states with the flexibility they need to implement the relevant provisions of reform should be a top priority today and in the future.

There are better ways to reform America's health care system, and I hope that President Obama and Congress will work with Governors, providers, consumers and others to bring about sensible reforms that increase quality, contain costs and ensure portability of health care.

Sincerely,

DONALD L. CARCIERI,
Governor, Rhode Island.

CONFERENCE REPORT ON H.R. 3183, ENERGY AND WATER DEVELOPMENT AND RELATED AGENCIES APPROPRIATIONS ACT, 2010

SPEECH OF

HON. RUSH D. HOLT

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 1, 2009

Mr. HOLT. Madam Speaker, I rise in support of the conference report on the Fiscal Year 2010 Energy and Water Development and Related Agencies Appropriations Act. Programs funded under this legislation range from nuclear weapons and nonproliferation capabilities to basic research on current and next generation energy sources and distribution technologies. I am pleased that the conference agreement before us today reflects a strong commitment to our nation's needs in these areas.

I believe that nuclear proliferation is the single greatest threat to global peace and security. The United States should be leading efforts to eliminate nuclear weapons and secure loose or inadequately safeguarded nuclear material. That is why I am very pleased that the conference agreement increases our investment in nonproliferation programs to \$2.1 billion, including a 43 percent increase in funding for International Nuclear Material Protection and Cooperation. These funds will improve our ability to stop illicit nuclear trafficking and prevent terrorists from gaining access to unsecured nuclear material around the world. Equally important is the fact this agreement exceeds the budget request for weapons dismantlement and disposition, reflecting a dedication to reduced U.S. nuclear weapon stockpiles.

The conference agreement also maintains significant investments in Department of Energy research and development programs that are critical to placing our nation on a path toward a sustainable energy future. The support for energy efficiency and renewable energy research in this legislation will help us develop new, less expensive ways to produce and use energy. Funding for electricity delivery and reliability will allow us to begin modernizing and securing our aging electrical grid against internal and external threats. The \$4.9 billion in funding for the Office of Science will support the basic research that will be the foundation of tomorrow's transformative discoveries and innovations. I appreciate the \$426 million investment for fusion energy sciences included

in the conference agreement, and I hope we will continue to strengthen this and other basic and applied energy programs in the coming years.

Finally, I applaud the conference agreement for upholding the funding goals of the America COMPETES Act—an important step toward restoring the rightful place of science in our nation. Yet we should not underestimate the size or scope of the challenges posed by climate change and energy security. As we consider future legislation, the twin goals of a clean energy future and a robust economy will require a firm dedication to providing our scientists and engineers the resources they need to initiate genuinely transformative changes in our energy sector.

EARMARK DECLARATION

HON. FRANK A. LoBIONDO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 7, 2009

Mr. LoBIONDO. Madam Speaker, as per the requirements of the Republican Conference Rules on earmarks, I secured the following earmarks in the Conference Report to accompany H.R. 2997:

Requesting Member: Congressman FRANK LoBIONDO (NJ-02)

Bill Number: H.R. 2997 (Conference Report)

Account: National Institute of Food and Agriculture—SRG

Legal Name of Requesting Entity: Rutgers University Marucci Center for Blueberry and Cranberry Research and Extension

Address of Requesting Entity: 125A Oswego Road, Chatsworth, NJ 08019

Description of Request: Provide an earmark of \$550,000 for the Cranberry/Blueberry Disease Project for research on breeding and pest management to provide continued support for the \$50 million a year industry. Past research has found bacterial anti-adherence mechanisms helping to fight urinary tract infection and dental caries, and other antioxidant properties. A major effort within the breeding program aims to enhance these health beneficial properties.

Requesting Member: Congressman FRANK LoBIONDO (NJ-02)

Bill Number: H.R. 2997 (Conference Report)

Account: Animal and Plant Health Inspection Service—Salaries and Expenses

Legal Name of Requesting Entity: State of New Jersey, Department of Agriculture

Address of Requesting Entity: 369 S. Warren Street, P.O. Box 330, Trenton, NJ 08625

Description of Request: Provide an earmark of \$500,000 for the New Jersey Gypsy Moth Pest Management Program to support and enhance gypsy moth control on effected communities and public lands. Funds will be used to cost share aerial treatments borne by local municipalities; for outreach in developing a web-based interactive online map showing the distribution of the gypsy moth in New Jersey and proposed treatment areas; and for technical support for salaries for field scouts and vehicle operation.

PERSONAL EXPLANATION

HON. J. GRESHAM BARRETT

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 7, 2009

Mr. BARRETT of South Carolina. Madam Speaker, unfortunately, I missed recorded votes on the House floor on Tuesday, October 6, 2009.

Had I been present, I would have voted “aye” on rollcall vote No. 753 (on motion to authorize conferees to close conference on H.R. 2647), “aye” on rollcall vote No. 754 (on motion to instruct conferees to H.R. 2647), “aye” on rollcall vote No. 755 (on motion to suspend the rules and agree to H. Res. 707).

GOVERNORS OF SOUTH CAROLINA AND TEXAS EXPRESS CONCERNS WITH UNFUNDED MANDATES IN HEALTH REFORM

HON. MIKE ROGERS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 7, 2009

Mr. ROGERS of Michigan. Madam Speaker, I rise today to express concerns regarding health reform proposals which would create unfunded state mandates. Legislation currently before the House would dramatically expand the Medicaid program and place over \$35 billion in new liabilities on State budgets over the next 10 years. In addition, these proposals would expand the Federal Government's role in administering Medicaid, which would severely handcuff States' ability to run their own programs and preempt state authority to manage Medicaid eligibility and benefits.

Over the last several weeks, governors have expressed concerns over these proposals. I would like to submit for the record the following letters from the governors of South Carolina and Texas:

SEPTEMBER 11, 2009.

Hon. LINDSEY O. GRAHAM,
U.S. Senate, Russell Senate Office Building,
Washington, DC.

DEAR LINDSEY: Thank you for the work you do on behalf of this country and our state.

With this work in mind I write to respectfully layout some concerns our administration has with regard to proposed health care changes in Washington. I am not writing to second guess your work, or that of Congress, but just to give you the vantage point from the seat I hold—and the consequent implications for taxpayers of this state given the proposed changes' impact in Medicaid administered by our state.

Like many governors across the nation, our administration is growing increasingly concerned about the financial strain rising health care costs are putting on South Carolina's annual budget. During the National Governors Association meeting in July, many governors joined together in a bipartisan effort to formally oppose the current Congressional health care proposals by issuing a policy opposing unfunded mandates. If these so-called reform proposals move forward, almost all states will have to raise taxes to manage this health care expansion. In South Carolina, Medicaid already receives up to \$880 million annually—16 percent of our budget.

The current House and Senate proposals would expand Medicaid and pass health care costs down to the states. Senate Finance Committee Chairman Max Baucus said that it would be impossible for the federal government to pick up all of the costs for new Medicaid recipients and that states would have to bear additional costs. To help put this matter into perspective, when the enhanced federal medical assistance percentage expires at the end of 2010, South Carolina will be spending \$1.2 billion, or more than 20 percent of our state budget, on Medicaid annually. That total represents just one-third of the total Medicaid dollars spent in our state—not counting the costs associated with the proposed changes to our health care system.

The Congressional Budget Office (CBO) estimates H.R. 3200 will cost in excess of \$1 trillion over the next ten years. However, the fine print reveals that the true cost would be much higher. The legislation relies on a large tax increase, which is implemented four years before most of the program's spending is ramped up. This delay in implementation is nothing more than a budget trick masking the true cost of the proposal. Even under the CBO projection, H.R. 3200 would add more than \$200 billion to the budget deficit in the next 10 years.

This projection is predicated on \$219 billion in spending changes that may be an illusion. A strong indicator that suggests that these savings will not materialize is found in a further analysis of the CBO study by Ways and Means Committee staff, which shows that the total price tag will reach \$2 trillion by 2024, including roughly \$600 billion in deficit spending. These are the significant costs you are contending with at the federal level in times of \$2 trillion deficits.

According to the National Association of State Budget Officers (NASBO), Medicaid expenses nationally will reach \$523 billion by 2013—a 56 percent increase in just six years. The proposed changes to the program would increase Medicaid spending by \$450 million in South Carolina—more than half of what we already spend on Medicaid. With that significant an increase, South Carolina would be forced to either raise taxes or cut critical services in education and public safety, the two other large spending items in our budget.

Any state tax increase would be in addition to the proposed federal tax increases included in the House and Senate bills, like huge tax increases in the form of an additional 8 percent payroll tax or a 5.4 percent income tax surcharge on small businesses. Even in prosperous times, we would not support the incredible burden of this unfunded mandate, but in the current global economy, that impact would be disastrous for our state.

The proposal being discussed in the United States Senate has similar problems for South Carolina as, by 2015, this proposal would add more than 400,000 South Carolinians to the Medicaid program. The federal government would cover increased funding only until 2015. After 2015, South Carolina must start picking up the tab. By 2020, South Carolina would be forced to come up with an additional nearly \$900 million annually for the increased number of Medicaid enrollees. Federal programs will grow at South Carolina's expense, and will increase Medicaid costs in our state by 50 percent.

Lastly, if we are trying to make health care more affordable, why exclude tort reform and national insurance markets from the plan? Litigation, and its negative impact on the practice of medicine, significantly increases the cost of health care in this state. South Carolina passed comprehensive tort reform legislation in 2004, partially to stop